GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1303
ANSWERED ON:08.03.2002
TRADE TIES WITH ISRAEL
Y.S. VIVEKANANDA REDDY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Israel have planned to commemorate 10 years of bilateral trade and mutual cooperation with a series of interactive trade delegations, exhibitions and high level meetings over the next few months;

(b) if so, the details thereof;

(c) whether so far, US and Europe enjoyed a lion`s share of 70 percent in Israel`s trade basket, with free trade agreements and most favoured nation status accorded by Israel;

(d) whether during the first nine months of 2001, there is a decline in trade between India and Israel comparing to that of corresponding period last year;

(e) if so, the reasons therefor;

(f) whether any agreements have been signed to boost the bilateral trade; and

(g) the extent to which the trade between the two countries will be improved?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b): Yes Sir. A number of events involving exchange of high level visits, trade delegations and seminars have been planned to commemorate 10 years of the establishment of diplomatic relations between India and Israel. Some events that have already taken place include the visit of Mr. Shimon Peres, Foreign Minister of Israel to India to attend the annual conference of the Confederation of the Indian Industries on 10th Jan. 02 in Bangalore; visit of Shri Pramod Mahajan, Minister of Information Technology, Communications and Parliamentary Affairs to Israel from 21-23 Jan.`02 and a seminar organised by the Indian Embassy in Israel entitled Business and Banking with India, in cooperation with the Israel-Asia Chamber of Commerce on 22nd January, 2002.

(c) As per information available with the Government, the USA and the European Union account for over 70% of Israel`s global trade.

(d) & (e): According to the Central Bureau of Statistics of Israel, India-Israel Trade declined by 20.6% in the first nine months of 2001 from US$ 850.30 million in Jan-Sept. 2000 to US$ 675.40 million in the same period in 2001.This was mainly due to the sluggish economic conditions in Israel.

(f) & (g) : A Memorandum Of Understanding(MOU) on cooperation in Information Technology andElectronics was signed between the two countries in January 2002. Recent bilateral commercial agreements signed include MOUbetween the National Association of Software and Service of India and the Israeli Association of Software Houses, Cooperation Agreement between India Trade Promotion Organisation and Federation of Israeli Chamber of Commerceand Information Technology Bridge Agreement between Indian Chambers of Commerce and Federation of Israeli Chamber of Commerce.These steps and other measures taken to boost bilateral trade are expected to facilitate improvement in bilateral trade.